

Item: _____
Fiscal Impact: _____ None _____
Funding Source: _____ City Center Rental Revenue _____
Account #: _____ 22-6079-40263-00000-0000 _____

ISSUE:

Approve a Resolution authorizing the execution of an agreement with Summit Management Group, LLC for the management of all rental properties acquired by the Redevelopment Agency in the City Center Redevelopment Project area.

SYNOPSIS:

The Redevelopment Agency has purchased three commercial properties and the Mark IV Apartments, Granger Mobile Home Park, and numerous homes in the neighborhood west of City Hall. The acquisition of the Executive Apartments and several additional homes is planned in the months ahead. Cambria Property Management has provided property management services for these units for the past year. However, in an effort to reduce costs and increase rental income from these properties Summit Management Group, LLC was selected after a request for proposal process was conducted on behalf of the Agency.

BACKGROUND:

In 2008 the Redevelopment Agency began to acquire property in the area bounded by 3500 S, Market St., Lehman Ave, and 2950 W (13 acre section) to accelerate the redevelopment of this area. It is planned that these properties will be sold to a development partner in the near future. The majority of the property being acquired contains either single family or multi-family residential units. To date, one apartment complex (38 units), a trailer park (16 units), and 9 homes have been purchased. Additional acquisitions will include an apartment complex (24 units), a 4-plex, and 3 homes. The Agency is attempting to maintain these units in a cost-effective manner and feels that the Summit Management Group, LLC can more effectively provide the needed property management services.

RECOMMENDATION:

Approve a Resolution authorizing an agreement with Summit Management Group, LLC for property management of rental properties in the City Center Redevelopment Project Area.

SUBMITTED BY:

Brent Garlick.